Army Benefits Center-Civilian

Organization Briefing

Ann Conyers & Marla Bower

March 8 - 11, 2004

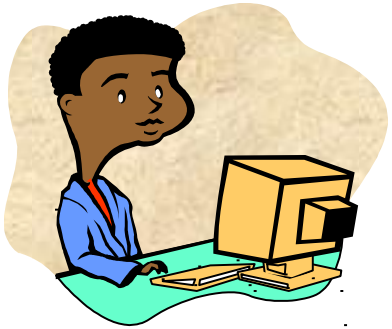
ABC-C STAFF

ABC-C Staff consists of:

- 51 Counselors (6 counselors are working Leaders)
- 16 Support Staff
- 4 Automators
- 3 Branch Supervisors
- 1 Chief
- 1 Student Career Employment
- Total Service Population: 207,000
- ABC-C staff ratio 1:2760

ABC-C AUTOMATED SYSTEMS

EBIS – Web Based



Advantages:

- Customer-friendly
- Available almost 24 hours a day
- Secure site
- Ability to read at convenience
- Ability to print screens of information
- Can process benefits transaction without counselor assistance
- Ability to print pending benefit forms

Disadvantages:

- No connection to a counselor
- Requires use of the Point of Entry security information
- Not everybody has access to a computer

ABC-C AUTOMATED SYSTEMS

IVRS - Telephone

Advantages:

- Can connect with a counselor if needed
- Available to those without computer access
- Requires use of SSN and PIN only
- Can process benefit transactions without counselor assistance
- Can receive faxed back copies of documents (e.g. FEHB enrollment form, Info Sheets, etc.)
- Counselors are available 12 hours a day
- Available almost 24 hours

Disadvantages:

- Must listen to scripts

IVRS TRANSACTIONS

IVRS
(TELEPHONE)
1-877-276-9287

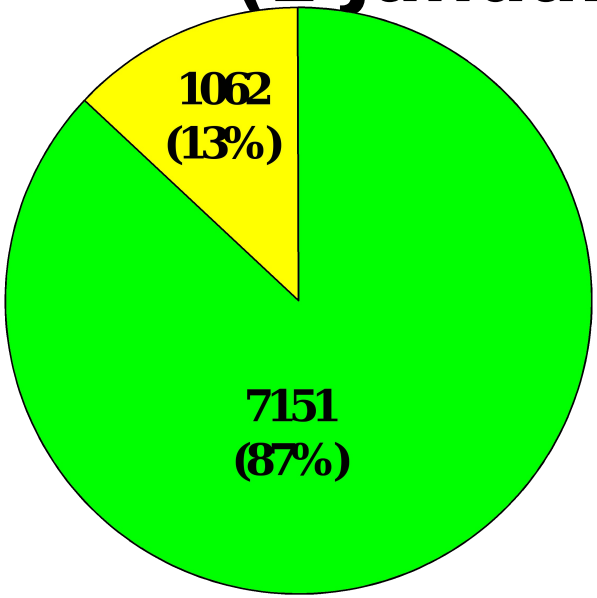
Counselor-Assisted Calls (10/01/03 – 12/31/03)

October 2003	November 2003	December 2003
5,762 Total Calls	5,946 Total Calls	10,250 Total Calls
:42 Avg Answer Time	:50 Avg Answer Time	1:20 Avg Answer Time
9:42 Avg Call Length	9:09 Avg Call Length	8:35 Avg Call Length
2:58 Avg Wrap-up Time	2:51 Avg Wrap-up Time	2.49 Avg Wrap-up Time

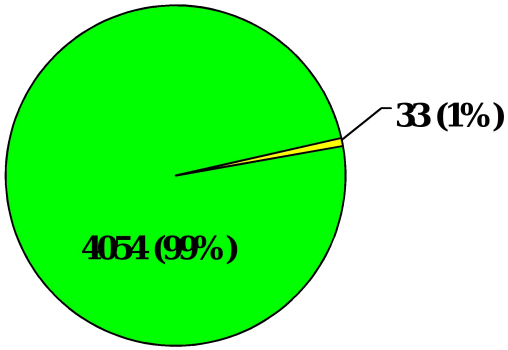
Peak Times are between 8:00 a.m. and 2:00 p.m.

To better service our customers during peak hours, ABC-C Benefit Counselors will be available from 6:00 a.m. to 6:00 p.m. CST.

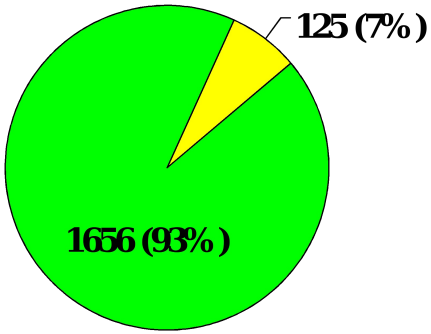
Total Retirements/Payroll Suspense
(1 January - 31 December 2003)



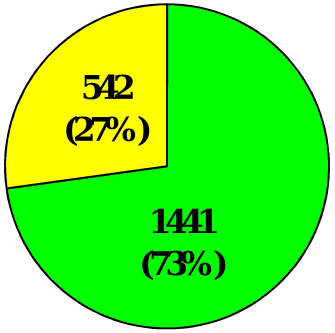
Total Received: 8213
Met
Did Not Meet



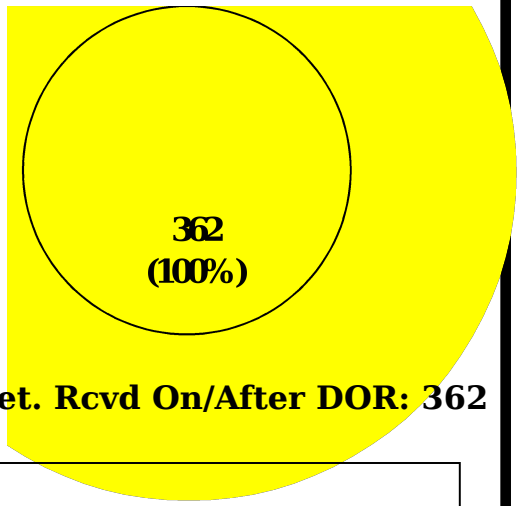
Ret. Rcvd More Than 60 Days: 4087



Ret. Rcvd 31-60 Days: 1781



Ret. Rcvd 1-30 Days: 1983

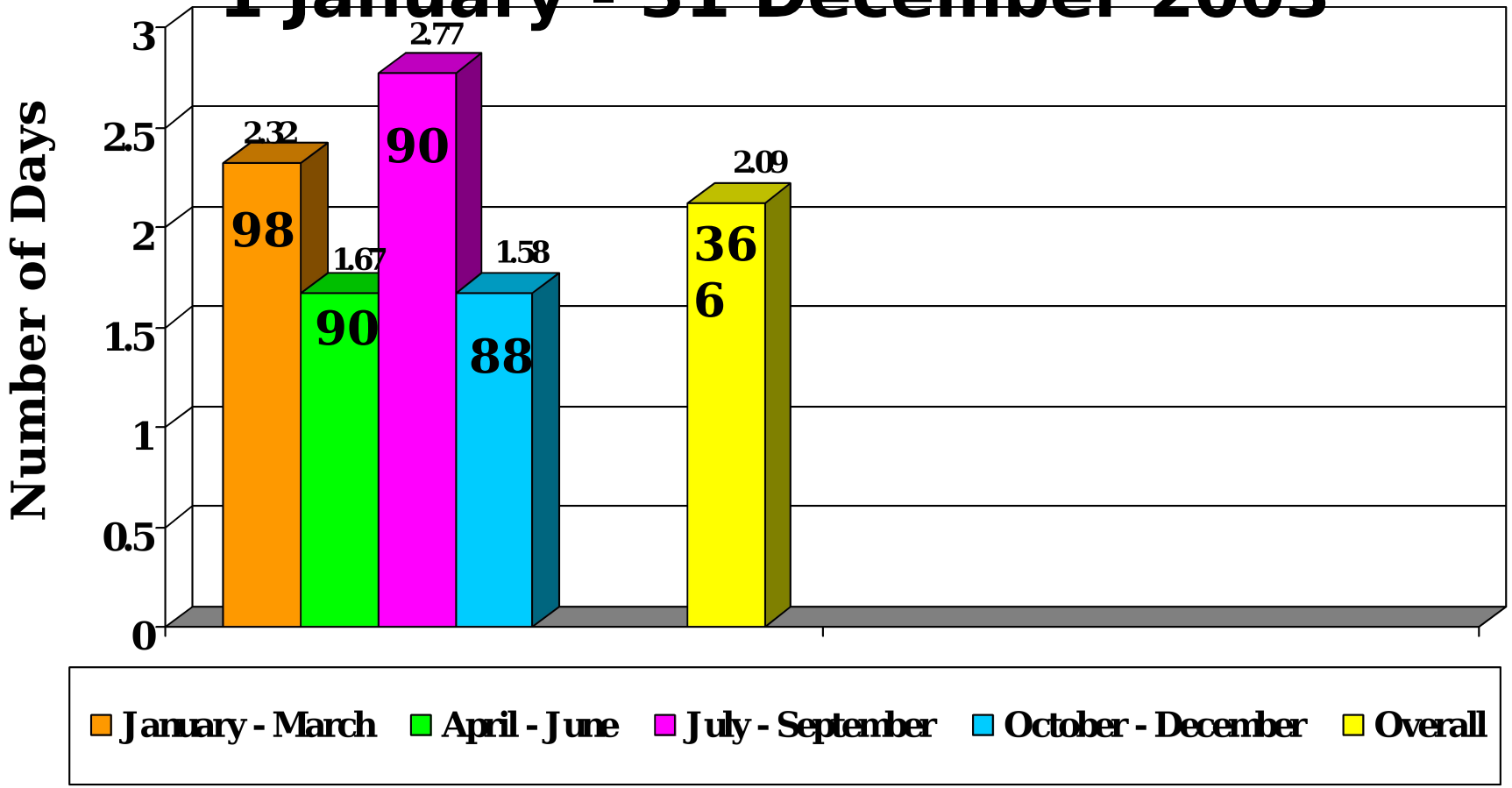


Ret. Rcvd On/After DOR: 362

Army Goal: Submit to DFAS NLT 5 working days prior to DOR.
ABC-C calculates timeliness from date complete retirement package is received to date package submitted to DFAS.
ABC-C tracks calendar days.

Death Claim Turnaround Time

1 January - 31 December 2003

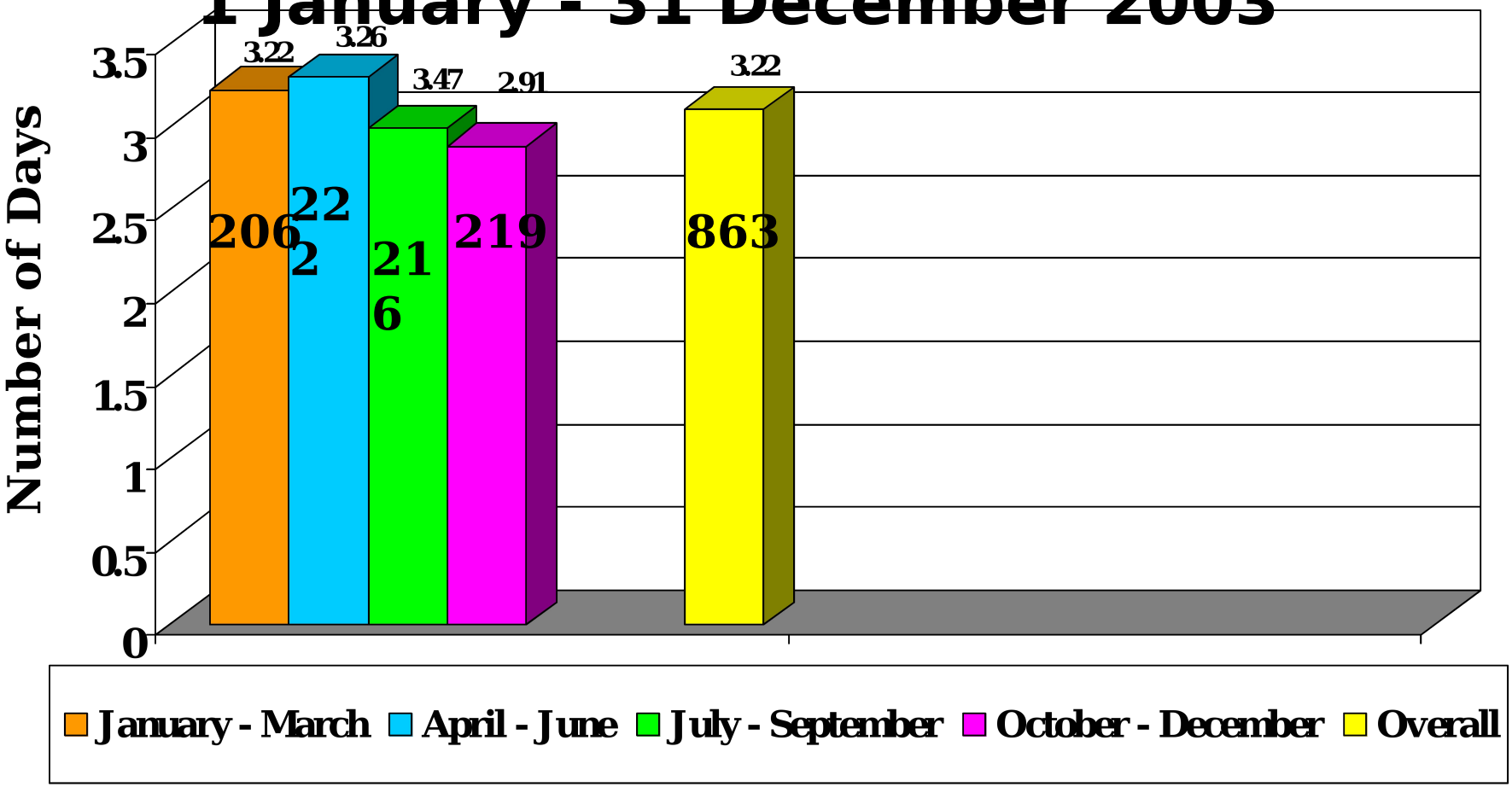


Army Goal: Death submitted to DFAS NLT 5 working days after date survivor signs and dates death benefits claims.

ABC-C tracks timeliness as date of OPF receipt to date Quick Pay is faxed to OPM for deaths processed under expedited procedures (or) date claim form is received from survivor to date claim form sent to DFAS for deaths processed under lump sum procedures. ABC-C tracks calendar days rather than working days.

Disability Claim Turnaround Time

1 January - 31 December 2003

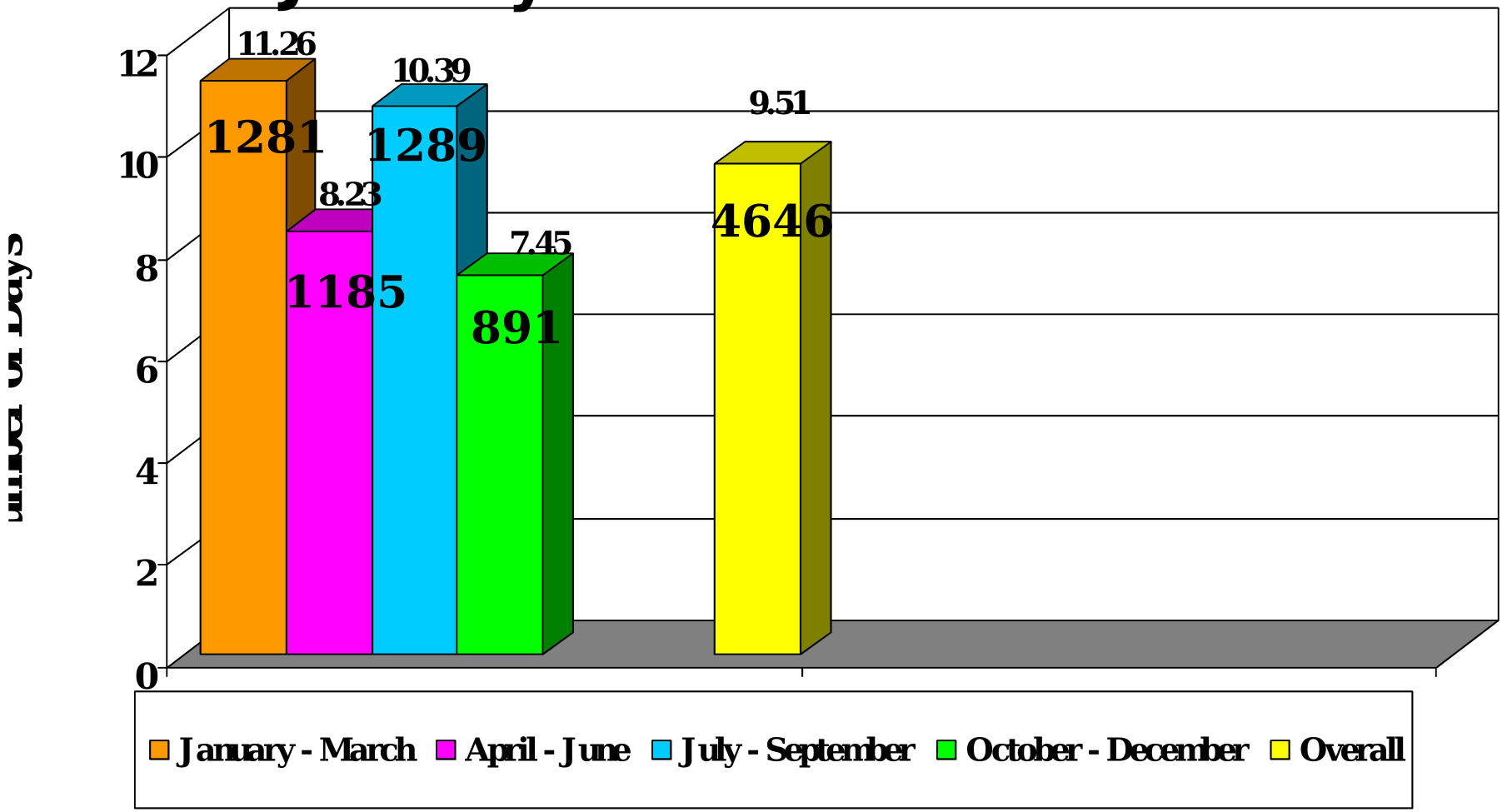


Army Goal: Submitted to DFAS NLT 5 working days following receipt of all documentation.

ABC-C tracks timeliness from date of receipt of OPF to date sent to payroll (or) date last item received in order to work the preliminary retirement package to date sent to payroll, whichever is later. ABC-C tracks calendar days rather than working days.

Retirement Estimate Turnaround Time

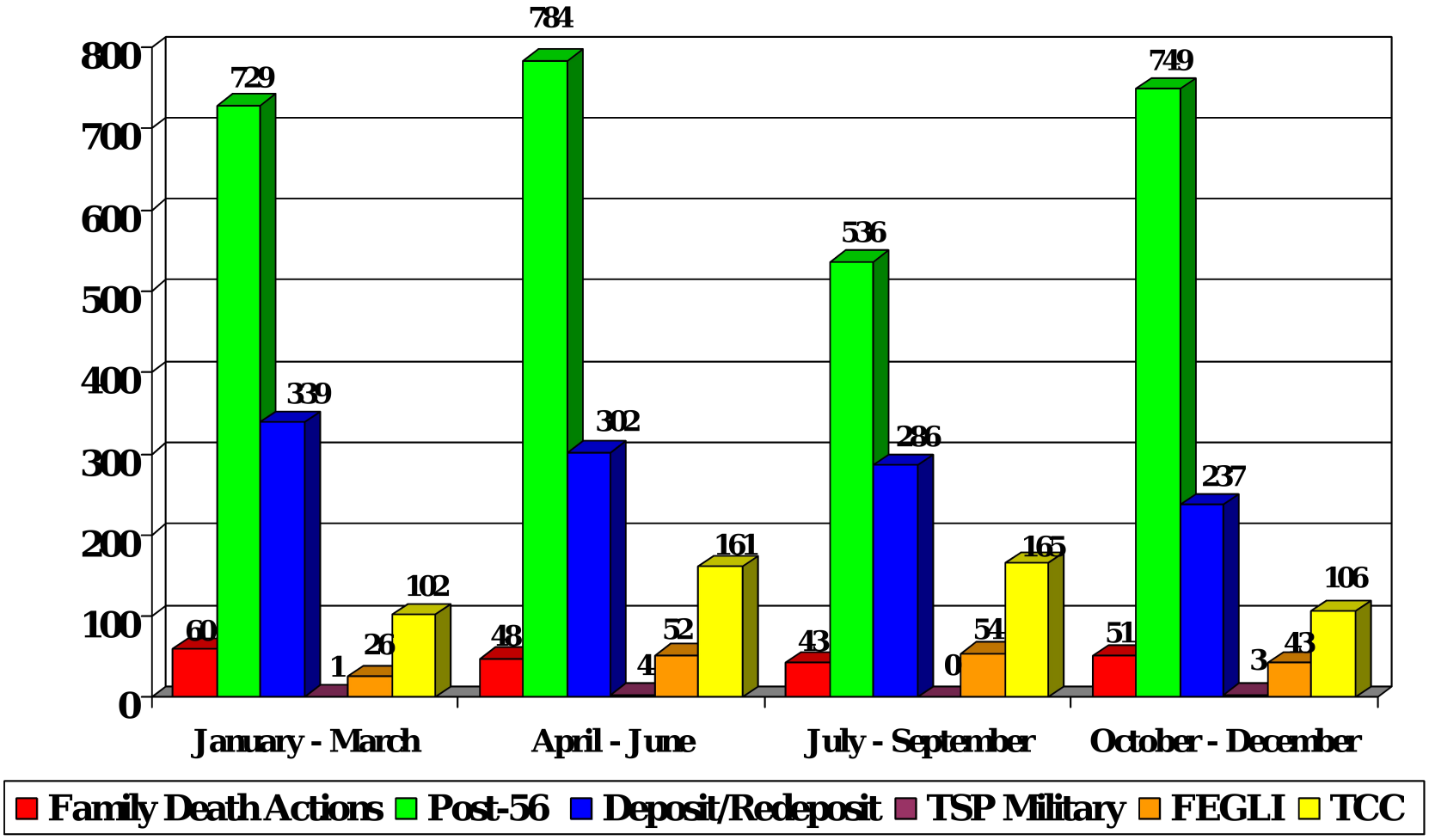
1 January – 31 December 2003



NOTE: These are requests for comprehensive retirement annuity printouts that aren't associated with an individual retirement package.

CHRA Goal: 14 days following receipt of estimate request

Completed Benefit Transaction Production Summary
1 January - 31 December 2003



Continuing Challenges

- Last Minute VERA/VSIP approvals.
- Late submission of retirement packages.

-Timeliness affected most by those submitted 15 days or less before DOR and on/after DOR.

-Direct correlation between packages submitted less than 30 days of DOR and inability to meet timeliness goals.

Improvement Plan

- Revisit Marketing Campaign

  ABC-C Newsletter and Special Editions

  Staff Assistance Visits

  Retirement and ABC-C Briefings

ANY QUESTIONS?

FERS RETIREMENT OVERVIEW

ARMY BENEFITS CENTER — CIVILIAN

INTRODUCTION

ABC-C MISSION:

- Provides a full range of Benefits & Entitlements services to all appropriated fund Army employees world-wide through a centralized automated center.

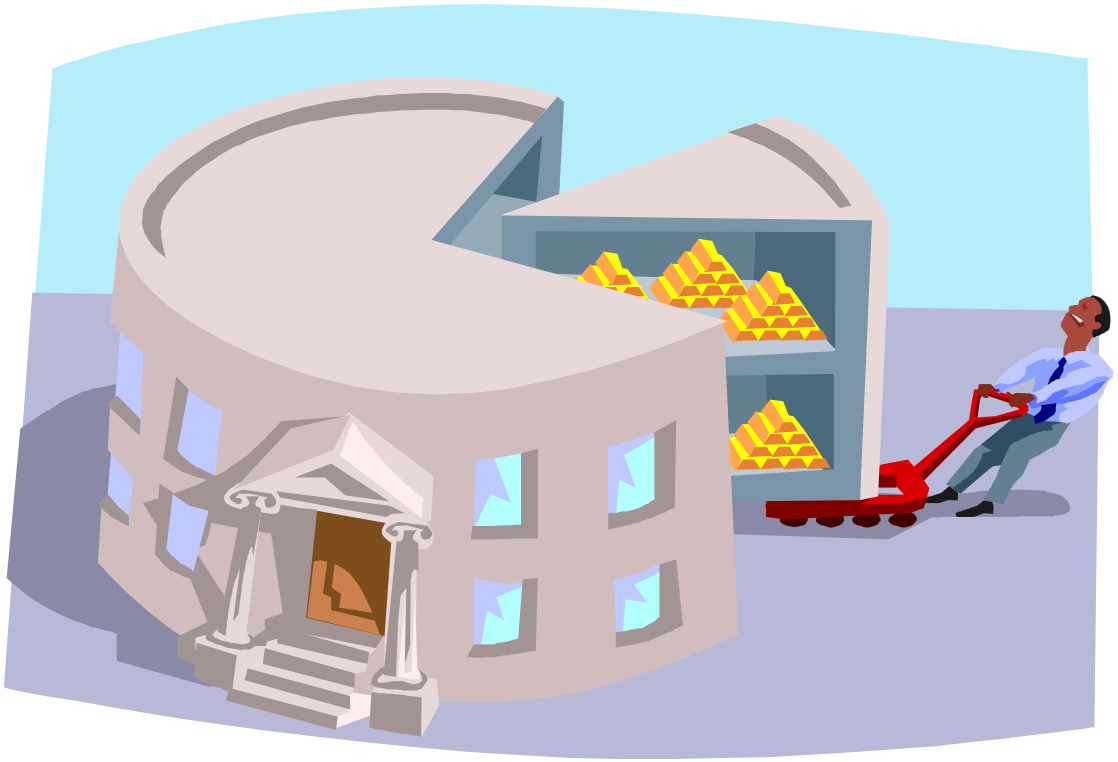
ABC-C SERVICES:

- Provides advisory services and processes transactions for:
  - Federal Employees Health Benefits (FEHB)
  - Federal Employees Group Life Insurance (FEGLI)
  - Thrift Savings Plan (TSP)
  - Retirement (FERS & CSRS)
  - Survivorship (Death Claim Processing)

RETIREMENT DECISIONS

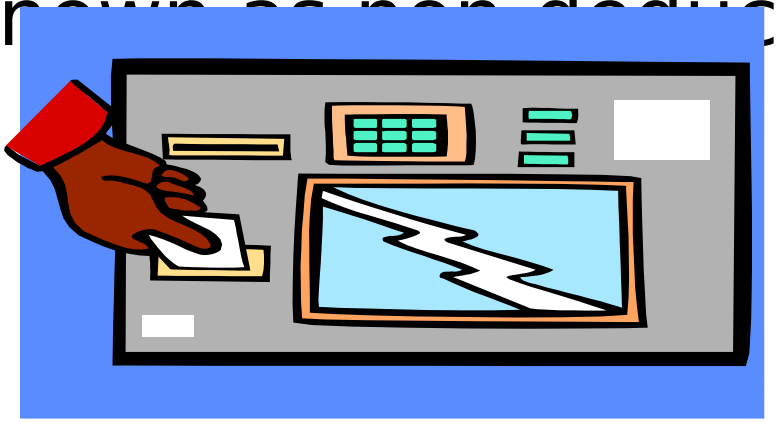
CIVILIAN SERVICE DEPOSIT/REFUND

FERS



WHAT IS DEPOSIT SERVICE?

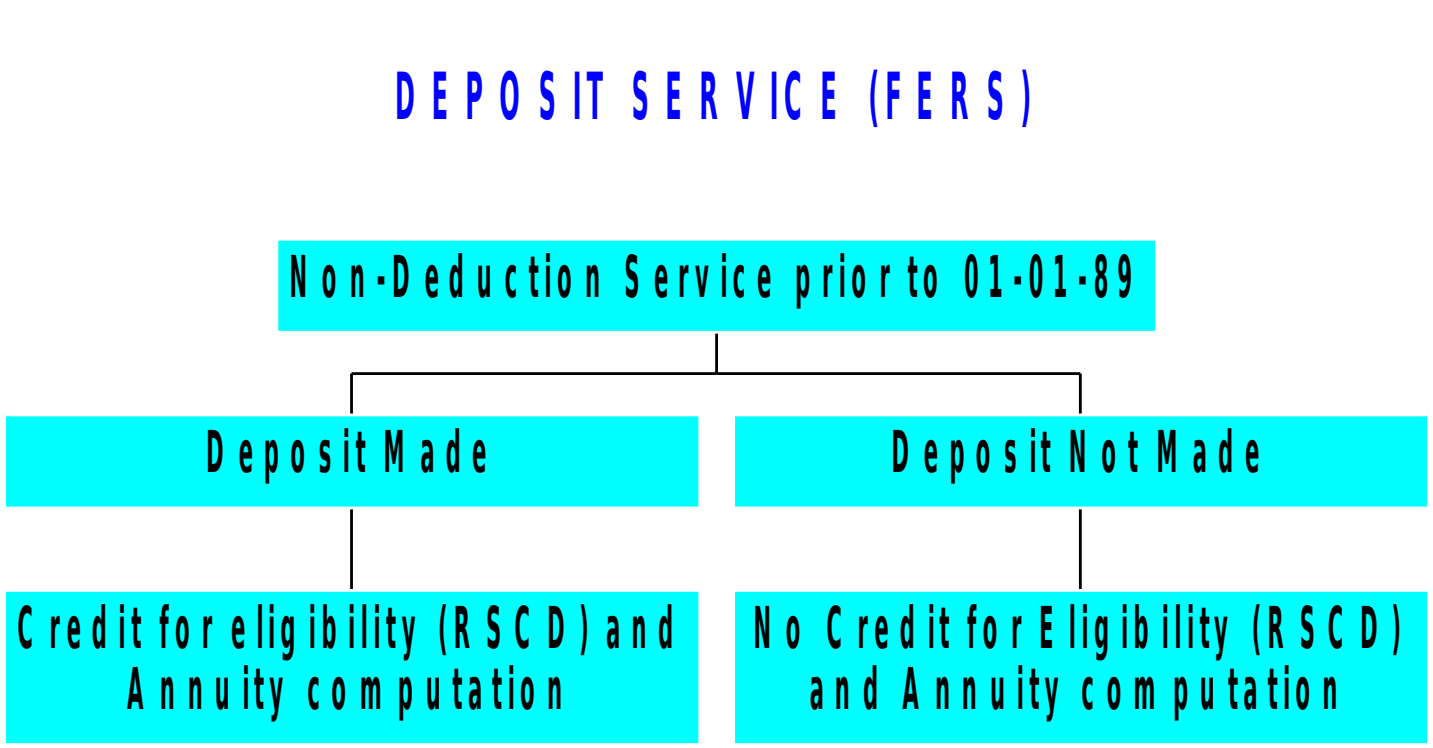
- Any period of creditable service during which retirement deductions are not taken
- Generally, non-career time such as temporary or indefinite service
- Also kn[illegible]ction service



DEPOSIT SERVICE

- However, it can also be service that was not considered Federal employment at the time it was performed, but for which a subsequent change in law now allows credit for retirement annuity computation purposes.

DEPOSIT SERVICE


DEPOSIT SERVICE (FERS)
Non-Deduction Service prior to 01-01-89
Deposit Made
Deposit Not Made
Credit for eligibility (RSCD) and Annuity computation
No Credit for Eligibility (RSCD) and Annuity computation

<u>Amount of Deposit</u>: 1.3% of basic pay earned + interest - FERS with CSRS component, CSRS rules apply - FERS with no CSRS component, FERS rules apply

DEPOSIT SERVICE

Deposit Service (FERS)

Non-Deduction on or after 01-01-89

DEPOSIT NOT ALLOWED

No credit for Eligibility or Annuity Computation

REFUNDED SERVICE

DEFINED AS: FERS Service for which retirement contributions were refunded to you.

NO FERS REDEPOSIT ALLOWED!

<u>Note</u>:

- FERS with CSRS component, CSRS rules apply - FERS with no CSRS component, FERS rules apply

MILITARY DEPOSIT

FERS

PRE 01-01-57
MILITARY SERVICE

No deposit required for creditable military service performed prior to 01-01-57

POST-56 MILITARY SERVICE

IN RECEIPT OF MILITARY RETIRED PAY

Based on Non – Combat Disability or Service

No Credit unless Military Retired Pay is waived

Based on Combat Disability or Chap 67, Title 10 (Reserves)

Must Pay to receive credit for Eligibility (RSCD) & Annuity Computation

POST-56 MILITARY SERVICE

Military Service on/after 01-01-57

↓

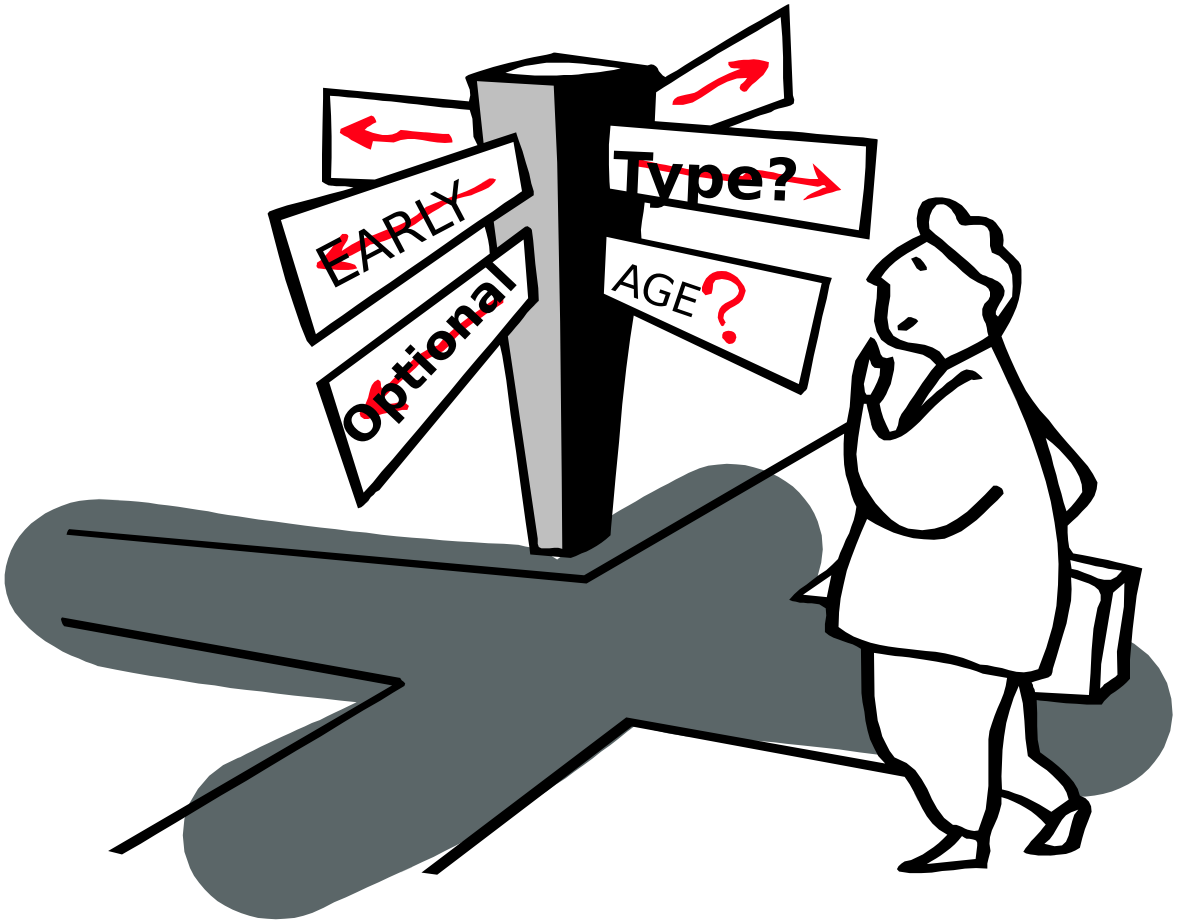
Must Pay to receive credit for Eligibility (RSCD) & Annuity Computation

Amount of Deposit:

- 3% of basic pay earned + interest

- May vary by date service was performed

RETIREMENT REQUIREMENTS



FERS OPTIONAL RETIREMENT

ELIGIBILITY REQUIREMENTS FOR VOLUNTARY RETIREMENT:

- **Minimum retirement age (MRA) w/30 years svc**
- **60 years of age with 20 years service**
- **62 years of age with 5 years service**
- **MRA with at least 10 years but not more than 30 years service:**
  - **5% reduction for each year under age 62**
  - **Not entitled to Annuity Supplement**

MRA + 10 CHART

IF YEAR OF BIRTH IS...	THE MINIMUM RETIREMENT AGE IS...
BEFORE 1948	55
1948	55 & 2 MONTHS
1949	55 & 4 MONTHS
1950	55 & 6 MONTHS
1951	55 & 8 MONTHS
1952	55 & 10 MONTHS
1953-1964	56
1965	56 & 2 MONTHS
1966	56 & 4 MONTHS
1967	56 & 6 MONTHS
1968	56 & 8 MONTHS
1969	56 & 10 MONTHS
1970 & AFTER	57

NOTE: SINCE EMPLOYEES BORN IN 1948 DO NOT REACH AGE 55

UNTIL 2003, THE MRA UNTIL THAT DATE IS 55

MINIMUM RETIREMENT AGE (MRA) + 10

✔ POSTPONING RETIREMENT BENEFITS

- Separating employees can reduce or eliminate the 5%
  age reduction by postponing the commencing date of
  their MRA + 10 annuities

- Sick leave is creditable in the computation of the CSRS
  annuity component for post-poned MRA + 10 retirement
  benefits

- FEHB and FEGLI coverage may be reinstated
  prospectively it at time of separation the

EARLY RETIREMENTS
VOLUNTARY/INVOLUNTARY

- **Early Out (Voluntary/VERA)**
- **Discontinued Service (Involuntary)**

- **Age 50 with at least 20 or more years of service**
  - **5 years of the 20 must be creditable civilian service**

- **Any age with at least 25 years of service**
  - **5 years of the 25 must be creditable civilian service**

- **No age reduction under FERS for early retirement**
  - **Unless employee has a CSRS component , CSRS portion of annuity will be reduced 2% each full year under age 55**

***NOTE*: You will receive Annuity Supplement if:**
- **you retire at or after your MRA**

FERS
ANNUITY SUPPLEMENT

- ***An estimated amount of Social Security benefits earned during FERS service***
- ***Benefit paid until age 62 to certain FERS employees who retire before age 62 and are entitled to an immediate annuity***
- ***Eligibility:***
  - ***Has at least 1 calendar year of FERS service <u>and</u>***
  - ***Retires with an immediate annuity…***
    - ***at or after MRA with 30 years***
    - ***at age 60 with 20 years of service***
    - ***at or after MRA under Early/DSR Retirement provisions (major RIF, reorganization)***
    - ***under Special Provisions (i.e., FF, LEO, etc.)***

FERS
ANNUITY SUPPLEMENT

- **Individuals NOT Eligible for Annuity Supplement**
  - **Disability Retiree**
  - **MRA + 10 provision**
  - **Deferred Annuity**
  - **Retiring at age 62 or older**

- **Duration of Retiree Annuity Supplement**
  - **Payable through the earlier of the following dates:**
    - **Last day of the month the retiree becomes age 62 or**
    - **Last day of the month before the first month retiree is entitled to Social Security benefits.**

DEFERRED RETIREMENT

• If you leave Federal service before meeting age and service requirements to retire:

•you may receive a deferred annuity at age 62 with at least 5 years of creditable service or at the minimum retirement age (MRA) with at least 10 years of creditable service (5% age reduction)
IF:

• you are not eligible for an immediate annuity within 1 month of separation; and

• you meet the minimum 5 years of creditable civilian service requirement at time of separation; and

Note: FERS Annuity Supplement is not payable. Your application for retirement is sent directly to OPM.

FEDERAL EMPLOYEES RETIREMENT SYSTEM

AGE

Date of Retirement

- Date of Birth

Age at Retirement

TOTAL SERVICE

Date of Retiremen

- Retirement SCD

Length of Service

UNUSED SICK LEAVE

1. For individual mandatorily covered by FERS:

-- No credit for any unused sick leave

2. For an employee who has transferred to FERS with a Civil Service component, the amount of sick leave credited is the lesser of:

--Sick leave balance on date of transfer to FERS

--OR--

RETIREMENT ANNUITY COMPUTATION (FERS)

- **FORMULA FOR COMPUTING ANNUITY FOR VOLUNTARY RETIREMENT:**

- **High-3 avg salary X 1.0% X yrs and mths of service**

- **High-3 avg salary X 1.1% X yrs and mths of service**

if employees are age 62 with 20+ yrs svc

***Best date to retire for annuity purposes is the last day of the month.**

REDUCTIONS & DEDUCTIONS

REDUCTIONS:

- **Age Reduction (MRA+10) [CSRS Component (VERA/DSR)]**
- **Deposit Service**
- **Election of Survivor Benefits**
- **Redeposit Service for CSRS component**

DEDUCTIONS:

- **Health Benefits**
- **Life Insurance**
- **Federal Income Taxes**

FERS SURVIVOR ELECTIONS AVAILABLE

Types of Survivor Elections:

- ☐ **Self only annuity (No survivor benefit)**
- ☐ **Current Spouse Survivor Annuity**
  - ☐ **Full (50% of your annuity)**
  - ☐ **Less/partial (25% of your annuity)**
- ☐ **Former Spouse Survivor Annuity**
  - ☐ **Full (50% of your annuity)**
  - ☐ **Less/partial (25% of your annuity)**
- ☐ **Combination of Current/Former**

SURVIVOR BENEFIT COST & REDUCTION

★ **Full/Max (50%) will cost = 10% of annuity**

 Partial (25%) will cost = 05% of annuity

Example: Maximum (50%) elected
Basic Annuity = $12,000
$12,000 x 10% = -
1,200 yearly cost After Reduction =
$10,800 yearly annuity

***Survivor will receive 50% of annuity = $6,000**

Example: Partial (25%) elected
Basic Annuity = $12,000
$12,000 x 05% = -
600 yearly cost After Reduction =
$11,400 yearly annuity

***Survivor will receive 25% of annuity = $3,000**

DISABILITY RETIREMENT FERS

- Definition of disability - unable to render useful & efficient service because of disease or injury
- must be in a position covered by FERS
- minimum of 18 months creditable civilian service
- disability annuity IS subject to federal tax

DISABILITY RETIREMENT FERS

- Not eligible for FERS supplemental annuity
- Required to apply for Social Security benefits
- Submit all forms for regular retirement **PLUS:**
  - SF 3112A - Applicant’s Statement of Disability
  - SF 3112B - Supervisor’s Statement
  - SF 3112C - Physician’s Statement
  - SF 3112D - Agency Certification of Reassignment and Accommodation Efforts

DEATH-IN-SERVICE FERS

- If you die while still an active employee, your survivor **MAY** be entitled to death benefits
- In the event of your death, your survivor needs to contact the local Civilian Personnel Advisory Center (CPAC)
- CPAC will contact ABC-C
- An ABC-C counselor will contact the survivor within 24 hours

NON-APPROPRIATED FUND (NAF) RETIREMENT PROCESSING

- **NAF Retirement System - Contact nearest NAF**
- **FERS Retirement Plan - Contact the ABC-C**

PERSONNEL PROFESSIONALS IN PARTNERSHIP

FEHB & RETIREMENT

Self Only

Self & family

Additional Information:
www.opm.gov/insure/health OPM Tel: 1-888-767-6738

FEHB & RETIREMENT

- **Continuation into Retirement:**
  - **Retires on an immediate annuity**
  - **Insured on date of retirement**
  - **Covered for the 5 years of service prior to retirement or since your FIRST opportunity to enroll**
  - **Coverage as a family member under FEHB or CHAMPUS/TRICARE counts towards 5 year requirement, however, employee must be enrolled in FEHB prior to retirement.**

FEHB & RETIREMENT

- Continuation into Retirement.
- Requirements for automatic waiver during Agency Buyout Period:
- Enrolled continuously since October 05, 1999 **or**
- the beginning date of an agency's latest statutory buyout authority, whichever is later. Employee(s) must:
  - Retire during the agency's statutory buyout period; **and**
  - Receive a buyout under the agency's statutory buyout period; **or**
  - Take Early Optional Retirement as a result of above; **or**
- Take a Discontinued Service Retirement (DSR) based on an involuntary separation due to RIF, directed reassignment, reclassification to a lower grade, or abolishment of position.

FEGLI & RETIREMENT

Additional Information: www.opm.gov/insure/life OPM Tel: 1-888-767-6738

FEGLI & RETIREMENT

Continuation into Retirement

- Retires on an immediate annuity
- Insured on date of retirement
- Insured for the 5 years of service prior to retirement **or** since your FIRST opportunity to enroll
  - Election Form: SF2818- Continuation of Life Insurance Cove

FEGLI & RETIREMENT

BASIC LIFE OPTIONS:

Basic Insurance Amount (BIA) is based on your final annual salary rounded up, plus $2,000. Ex: $36,400 = $37,000 + $2,000 = $39,000*

Options	Before age 65	After age 65
1. 75% reduction	BIA x .3250 (per $1,000) ex: $12.68 per mth	NO COST Coverage reduces 2% per mth for 37.5 mths until it reaches a final value of $9,750
2. 50% reduction	BIA x .9250 (per $1,000) ex: $36.08 per mth	BIA x .6000 (per $1,000) ex: $23.40 per mth Coverage reduces 1% per mth for 50 mths until it reaches a final value of $19,500
3. NO reduction	BIA x 2.1550 (per $1,000) ex: $84.05 per mth	BIA x 1.8300 (per $1,000) ex: $71.37 per mth

FEGLI & RETIREMENT

OPTION A - STANDARD COVERAGE

- ***OPTION A - Standard = $10,000 coverage***

Age Group	Monthly Cost
Under 35	$0.65
35 thru 39	$0.87
40 thru 44	$1.30
45 thru 49	$1.95
50 thru 54	$3.03
55 thru 59	$5.85
60 thru 64	$13.00
65 & above	NO COST

*At Age 65 coverage reduces by 2% per mth for 37.5 mths until it reaches $2,500

FEGLI & RETIREMENT

OPTION B - ADDITIONAL COVERAGE

(1 - 5 MULTIPLES OF PAY)

*OPTION B - Ex: Annual Salary $36,400. 1x Multiple elected = *$37,000*

Age Group	Mthly Cost @ $1000	*Mthly Cost (1X)
Under 35	$0.065	$2.41
35 thru 39	$0.087	$3.22
40 thru 44	$0.130	$4.81
45 thru 49	$0.195	$7.22
50 thru 54	$0.303	$11.21
55 thru 59	$0.607	$22.46
60 thru 64	$1.300	$48.10
65 thru 69	$1.538	$56.91
70 thru 74	$2.232	$82.58
75 thru 79	$3.098	$114.63
80 & above	$3.965	$146.71

FULL Reduction: At age 65, no cost & coverage reduces by 2% per month for 50 months at which time coverage ends

NO Reduction: Coverage and premium continues

FEGLI & RETIREMENT

OPTION C - FAMILY COVERAGE

(1 - 5 MULTIPLES OF PAY)

OPTION C - Spouse = $5,000 (1x Multiple) / Each Child = $2,500 (1x)

Age Group	Mthly Cost per Multiple	Mthly Cost (1x)
Under 35	$0.59	$0.59
35 thru 39	$0.74	$0.74
40 thru 44	$1.00	$1.00
45 thru 49	$1.30	$1.30
50 thru 54	$1.95	$1.95
55 thru 59	$3.14	$3.14
60 thru 64	$5.63	$5.63
65 thru 69	$6.50	$6.50
70 thru 74	$7.37	$7.37
75 thru 79	$9.75	$9.75
80 & above	$13.00	$13.00

FULL Reduction: At age 65, no cost & coverage reduces by 2% per month for 50 months at which time coverage will end

NO Reduction: Coverage and premium will continue

TSP & RETIREMENT

TSP Service Office
National Finance Center
P.O. Box 61500
New Orleans, LA 70161-5000

Telephone: (504) 255-6000 Automated: (504) 255-8777 Monday through Friday, 7:00 a.m. - 4:30 p.m. CST

www.tsp.gov

TSP & RETIREMENT

OPTIONS:

- Automatic cashout
- Leaving money in the TSP
- Partial Withdrawal of at least $1,000 (one time in career)
- Full Withdrawal
  - Single payment
  - Monthly payments
  - Life annuity
- Mixed Withdrawal

HOW TO APPLY:
TSP-70 FORM - Withdrawal Request

TSP Catch-Up Contributions

- Open to TSP participants age 50 or older.
- Not eligible for agency automatic 1% matching contribution
- First opportunity to elect for 2004 was 30 Nov 03
- Limited to $3,000 for year 2004
  - Must make new election each year

Elections made via:
EBIS at https://www.abc.army.mil
IVRS at 1-877-276-9287

LONG TERM CARE INSURANCE (LTC)

Offered by:

John Hancock

MetLife

Want to talk with a Certified Long Term Care Insurance Consultant?

Tel: 1-800-LTC-FEDS (1-800-582-3337)
TTY: 1-800-843-3557
Mon - Fri 8 a.m. - 8 p.m. EST
Sat 9 a.m. - 5 p.m. EST
Closed Sun and Federal holidays.

http://www.ltcfeds.com

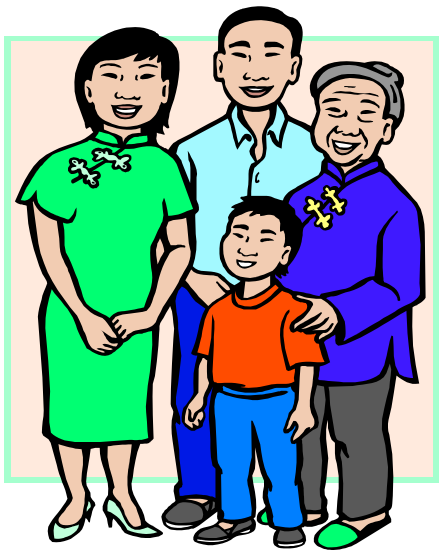
Flexible Spending Accounts (FSA)

- To receive more information regarding FSAs, please contact a SHPS counselor.

- Email: FSAFEDS@shps.net
- Telephone: 1-877-FSAFEDS (1-877-372-3337)
- TTY: 1-800-952-0450
  - Mon-Fri 9AM-9PM Eastern Time
  - Closed Weekends and Holidays
  - http://www.fsafeds.com

DESIGNATION OF BENEFICIARY

- **Order of Precedence:**
  - **Court Order**
  - **Designation of Beneficiary**
  - **Widow or Widower**
  - **Children (and/or descendants of deceased children)**
  - **Parents**
  - **Executor or administrator of estate**
  - **Next of kin**



ABC RETIREMENT PROCEDURES & PROCESS

- *180 days prior to retirement:*
  - *contact the ABC-C for retirement estimate & information*

- *90-180 days prior to retirement:*
  - *download forms from ABC-C website, or contact ABC-C for forms*
  - *call ABC-C with questions on retirement estimate*
  - *call ABC-C for help with the retirement forms*

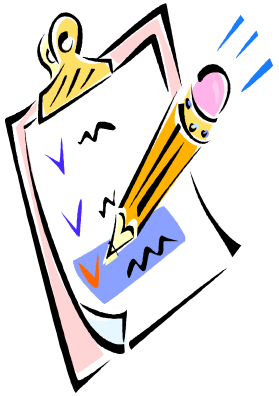
- *90 days prior to retirement:*
  - *mail retirement forms to ABC-C*

ABC RETIREMENT PROCEDURES & PROCESS

- *ABC-C receives your retirement package:*
  - *sends letter acknowledging receipt*
  - *does quick review of retirement package*
  - *sends letter requesting missing forms*
  - *requests OPF*

- *30-60 days prior to retirement:*
  - *retirement package assigned to counselor*

ABC RETIREMENT PROCEDURES & PROCESS



- *ABC-C retirement counselor:*
  - *reviews OPF for service history*
  - *thoroughly reviews retirement package for missing, incomplete, incorrect forms*
  - *contacts you about missing forms*
  - *contacts you for final retirement counseling*

- *2 - 4 weeks prior to retirement:*
  - *retirement package processing is completed*

ABC RETIREMENT PROCEDURES & PROCESS

- *2-4 weeks after retirement date:*
  - *final paycheck is received*
  - *lump sum annual leave is paid*
  - *lump sum VSIP is paid*
  - *bi-weekly VSIP payments begin*

- *8-10 weeks after retirement:*
  - *receive 1st INTERIM payment*
  - *receive letter from OPM with CSA number*

Office of Personnel Management Retirement Operations Center P.O. Box 45
Boyers, PA 16017

www.opm.gov
email: retire@opm.gov
Tel: 1-888-767-6738

Social Security Administration
www.ssa.gov
www.medicare.gov
Tel: 1-800-772-1213

IRS Publication 721
www.irs.gov

FOR ADDITIONAL RETIREMENT INFORMATION

CONTACT THE ABC-C

- ***Toll Free 1-877-276-9287***
- ***Hearing Impaired TDD 1-877-276-9833***
- ***Counselors available from 6 a.m. - 6 p.m. (CST)***
- ***Web site: https://www.abc.army.mil***

A

B

C **C**

ANY QUESTIONS?